

**KENTUCKY EMPLOYERS' MUTUAL INSURANCE AUTHORITY**  
**Statement of Admitted Assets, Liabilities and Policyholder Equity**  
**as of March 31, 2021**  
**Statutory Basis of Accounting**

**ASSETS**

Long-term bonds	\$ 950,968,166
Common stocks	63,147,721
Cash and short-term investments	33,560,931
Real estate	4,025,000
Other invested assets	4,082,150
Receivable for securities	0
Investment income due and accrued	6,524,214
Premiums in course of collection	14,227,005
Premiums deferred and not yet due	36,195,163
Policy deductibles receivable	1,094
Non-admitted premiums receivable	(8,228,066)
Reinsurance recoverable	44,695
Reinsurance deposits	750,000
Receivables for retroactive reinsurance reserves assumed	889,958
Electronic data processing equipment, net of depreciation	125,870

**TOTAL ASSETS** **\$ 1,106,313,901**

**LIABILITIES AND POLICYHOLDER EQUITY**

Loss reserves	\$ 600,403,763
Loss adjustment expense reserves	53,063,746
Commissions payable	11,882,797
Other expenses payable	4,418,847
Unearned premiums	58,315,014
Ceded reinsurance premiums payable	(1,047,436)
Funds withheld under reinsurance treaties	1,112,426
Amounts withheld or retained for others	8,882,276
Unallocated cash	821,922
Provision for reinsurance	0
Payable for securities	3,017,725
Retroactive reinsurance reserves assumed	28,512,208
Retroactive reinsurance assumed - excess funds to be returned	21,572,242
Retroactive reinsurance reserves ceded	(17,059,909)
Funds withheld on retroactive reinsurance ceded	24,619,049
Liability for projected pension benefits	14,706,313
Liability for projected retiree health insurance	0

**TOTAL LIABILITIES** **813,220,983**

**POLICYHOLDER EQUITY (beginning)** **283,404,169**

Net income / (loss)	6,379,268
Unrealized capital gain / (loss)	2,251,975
Change in non-admitted assets	323,688
Change in provision for reinsurance	0
Change in projected pension benefits	733,818
Change in projected retiree health insurance	0

**POLICYHOLDER EQUITY (ending)** **293,092,918**

**TOTAL LIABILITIES AND POLICYHOLDER EQUITY** **\$ 1,106,313,901**

**KENTUCKY EMPLOYERS' MUTUAL INSURANCE AUTHORITY**  
**Statement of Income**  
**for the three months ended March 31, 2021**  
**Statutory Basis of Accounting**

<b>Net premiums earned</b>	<b>\$ 29,692,412</b>
<b>Deductions</b>	
Losses incurred	17,128,525
Loss expenses incurred	6,377,676
Underwriting expenses incurred	7,660,635
<b>Total deductions</b>	<b><u>31,166,836</u></b>
<b>Net underwriting gain / (loss)</b>	<b>(1,474,424)</b>
Net investment income earned	6,533,962
Net realized investment gains / (losses)	2,324,761
Net periodic pension and postretirement benefit cost	(661,351)
Retroactive reinsurance ceded expense	0
Bad debts and other income / (expenses)	<u>(343,680)</u>
<b>NET INCOME / (LOSS)</b>	<b><u><u>\$ 6,379,268</u></u></b>

**KENTUCKY EMPLOYERS' MUTUAL INSURANCE AUTHORITY**  
**Statement of Solvency**  
**for the three months ended March 31, 2021**  
**Statutory Basis of Accounting**

<b>POLICYHOLDER EQUITY (beginning)</b>	<b>\$ 283,404,169</b>
Net income / (loss)	6,379,268
Unrealized capital gain / (loss)	2,251,975
(Increase) / decrease in non-admitted portion of furniture, fixtures, EDP equipment and software	34,120
(Increase) / decrease in uncollected premiums and agents' balances over 90 days past due	(345,129)
(Increase) / decrease in prepaid pension and retiree health insurance plans	661,351
(Increase) / decrease in other non-admitted assets	(26,654)
Change in provision for reinsurance	0
Change in projected liabilities for pension and retiree health insurance plans	<u>733,818</u>
<b>POLICYHOLDER EQUITY (ending)</b>	<b>\$ <u><u>293,092,918</u></u></b>